CITY OF COLORADO SPRINGS

2012 Business Tax Symposium

Engaged in Business or Nexus includes the following activities:

- Directly or indirectly maintains an office, store, sales room, warehouse, maintenance or repair shop located in the City
- Employees coming into the City to solicit business, take orders, deliver products, conduct demonstrations, operate a booth at a trade show, deliver catalogs or similar activities

Engaged in Business or Nexus (continued)

- Leasing equipment located in the City or renting equipment with delivery and pickup into the City or exercises control over real or personal property
- More than one delivery with a business vehicle into the City

The Definition of Purchase Price Includes the Following

- Shipping and handling, delivery fees and freight
- Installation included in the purchase price and not separately stated
- Fees including trip charges, facility fees, fuel surcharges, dealer prep, etc.
- Fabrication labor

Construction in Colorado Springs:

- The City does not use a pay for permit system. Sales tax is due on all materials purchased in the City for use in a construction project.
- Use tax is due on all materials purchased outside of the City and brought into the City for which a legally due sales tax was not paid.

Construction in Colorado Springs (continued)

- Sales tax paid and legally due in other jurisdictions will be credited towards the current rate of 7.4%. Additional use tax will be due if the sales tax rate paid is less than 7.4%.
- City Use tax is due on construction materials purchased for use by contractors on all exempt organization projects.

Construction in Colorado Springs (continued)

- The City ordinance holds the contractor liable for the tax due on materials purchased and used in the performance of any construction project.
- Equipment, tools and rental of equipment are taxable. If tax was paid and legally due in another jurisdiction then it will be credited towards the current rate of 7.4%.

Manufacturing In Colorado Springs

- Currently there is no exemption for manufacturing equipment in Colorado Springs
- An exemption of power used in manufacturing is available and is only for the equipment directly used in the manufacturing process.

Manufacturing In Colorado Springs (continued)

Lighting, heating and cooling are not exempt in the manufacturing areas. Additional areas that are not exempt include non production areas, research and development, design, administrative, etc.

Enterprise Zones:

The City does not have an exemption for business located in an enterprise zone.

Education and training:

- We offer a quarterly Introduction to Sales and Use tax class
- Offer meetings to hold question and answer sessions for specific industries
- Presentations for professional organizations and clubs
- Provide one on one training for business owners

Tax Rates:

- Sales 2.5%
- Use 2.5%
- **Lodging 2.0 %**
- Auto Rental 1%
- Movie Admissions 2.0%
- Bike Excise Tax \$4.00 per new bike

Contact Information:

Office location:

City Administration Building 30 South Nevada, Suite 203 Colorado Springs, CO 80903

Mailing of Tax Payments:

Sales Tax
City of Colorado springs
Dept 2408
Denver, CO 80256-0001

Contact Information: (continued)

Correspondence Address:

City of Colorado Springs

PO Box 1575, MC 225

Colorado Springs, CO 80901-1575

Main Line: 719-385-5903

The Complete City ordinance is available at the web site.

Website: www.springsgov.com/salestax